

PHILIP MORRIS U.S.A.
INTER-OFFICE CORRESPONDENCE

100 Park Avenue, New York, N.Y. 10017

To: AM-CS, AM-DS, D.M., M/R (New York Area)

Date: October 15, 1974

From: J. J. Gillis

Subject: Benson & Hedges 100's Flip-Top Box
Management Account Coverage
October 15, 1974 - October 25, 1974

INTRODUCTION

The metropolitan New York Trading area (Jersey City, N. J. warehouse only) has been selected as the introductory market for Benson & Hedges 100's Flip-Top Box. This market will provide a great deal of information on the national potential and acceptability of this new packing.

Benson & Hedges Box will be featured as the primary brand during the entire Sixth Cycle (November 4 - December 27) 1974. This will involve a five carton Benson & Hedges Box sell-in with 10% gratis to be presented prior to the remainder of the P.P.P. presentation. The full details of the sell-in procedure are outlined in the following and dealt with specifically in the retail activity instructions.

PRODUCT DETAILS

Product	-	Benson & Hedges 100's Flip Top Box (Regular Filter and Menthol).
Item Number (UPC)	-	00416 Regular Filter 00426 Menthol
Price	-	\$11.80 per thousand
Case Packing	-	6000/case (30 carton case)
Case Dimensions	-	17 x 11-15/16 x 11-9/16
Case Weight	-	Approximately 21.5 lbs.
Sales Meeting	-	October 15, 1974
Direct Account Solicitation	-	October 15 - October 25, 1974
Terms	-	3% - 30 days (available on introductory quota only)

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- . Distribution Allowance - If purchase only one packing: 50¢ per thousand (\$3.00 per 6 M case) on introductory quota.

If purchase Regular and Menthol: 75¢ per thousand (\$4.50 per 6 M case) on introductory quota.
- . Introductory Allowance - Period October 28 - November 15, 1974
- . Product Available - October 28, 1974
Direct Accounts
- . Account Quotas - Lists* will be provided.
(* Quota lists give product item numbers as 416 and 426 rather than the UPC form, 00416 and 00426. Also, the total case figure represents quotas for both Regular and Menthol. This total should be divided between Regular and Menthol according to the specific needs of the account.)

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MANAGERS - CHAIN SALES & DISTRIBUTOR SALES

General Activities

- . Direct account coverage will take place October 15 - October 25, 1974.
- . An account quota list will be provided covering each account. This list should be reviewed with your Section Manager prior to making any direct account contact.
- . A trade circular (No. 437) will be hand-delivered to each direct account as contact is made. Additional copies will also be made available.
- . Sell-in samples will be provided for each AM-DS, AM-CS, and M/R (Will be available at Sales Meeting).
- . Initial distributor contacts should be focused toward those accounts where our retail salesmen pick-up merchandise frequently.
- . Chain headquarter presentations should be scheduled as early as possible.
- . All orders taken for Benson & Hedges 100's Box should be forwarded at once to:

Mr. L. E. Johnson
Customer Service Department
Richmond, Virginia

- . Make certain that, upon acceptance, Benson & Hedges 100's Box is placed in the retail order books and properly coded for re-ordering purposes.

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AREA MANAGERS - CHAIN SALES - SPECIFIC OBJECTIVES

- . Benson & Hedges 100's Box must be presented to all accounts to gain maximum distribution in all types of retail chain outlets.
- . Chain accounts, such as supermarkets, convenience stores, drugs, mass merchandisers, and tobacco shops where single package sales are featured are an important objective for developing early consumer trial purchases.
- . It is important to remember, the distribution and display of Benson & Hedges 100's Box is key to its success. Availability and display are essential in outlets that can provide package exposure during the initial trial period.

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AREA MANAGERS - DISTRIBUTOR SALES - SPECIFIC OBJECTIVES

- . All account quotas should be reviewed and discussed with your Section Manager prior to initial coverage.
- . Sell-In: Solicitation for orders will initially be directed to those wholesale distributors where our retail sales force will be picking up merchandise to meet their needs. General whole-sale account coverage will take place after this initial coverage for our retail force has been accomplished.
- . Sell-In a sufficient quantity of product to insure that enough is on hand to handle the retail selling efforts.
- . Make certain that sufficient product is available during the initial pipeline filling and the consumer trial periods.
- . Follow up in every instance to determine if the product ordered arrives on time.
- . Area Manager - Distributor Sales must attempt to attend distributor sales meetings ~~where~~ possible to enlist distributor salesmen's support in gaining new placements for Benson & Hedges 100's Box.

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DIVISION MANAGER - OBJECTIVES

The retail activity instructions detail the basic essentials relating to the sell-in, merchandising, and displaying of Benson & Hedges 100's Box. In addition, it is important that the following points are adhered to:

- . Prior to any division meetings, be certain you have spent at least one-half day doing retail work related to the Benson & Hedges 100's Box program. This will better prepare you for instructing retail salesmen in sales--merchandising--display activities.
- . Closely supervise your Sales Representatives during the introduction of Benson & Hedges 100's Box. Pay particularly close attention to the newer salesmen who are experiencing their first new product introduction.
- . Identify with your Sales Representatives the high volume outlets that refuse to purchase and/or display Benson & Hedges 100's Box. Assist your Sales Representatives in planning a recall strategy.
- . Throughout the entire period, close communication must be maintained with all individuals involved in this product introduction. This will insure that adequate materials and products are available; that our assignments are being properly covered; and that Benson & Hedges 100's Box is being given the best possible support.

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PERSONNEL

<u>Assignments</u>	<u>Areas</u>	<u>Number Involved</u>
Division 01-01-00 (Total)	Manhattan	(5)
" 01-02-00 (Total)	Manhattan, Bronx, Westchester	(5)
" 01-03-00 (Total)	Brooklyn	(6)
" 01-04-00 (Total)	Long Island	(7)
" 01-05-00 (03 & 07 Only)	Yonkers, White Plains	(2)
" 01-06-00 (Total)	Queens	(6)
" 04-01-00 (Total)	Northern, N. J.	(6)
" 04-02-00 (Total)	Northern, N. J.	(6)
" 04-04-00 (02, 03, & 04 Only)	New Brunswick, N. J. area	(3)
DIVISION MANAGERS	See Above	(9)
AMDS 01-21-00 01-22-00 04-22-00	New York Area New Jersey	(3)
AMCS 01-41-00 04-41-00	New York Area New Jersey	(2)
MIL REPS 04-61-00	New Jersey	(1)
SECTION MANAGERS (01 & 04)	New York, New Jersey	(2)
TOTAL PERSONNEL		(63)

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MATERIALS

A list of POS materials to be used during this introduction is included in the retail activity instructions. All materials are scheduled to be shipped from the warehouse during the week of October 21, 1974.

TRADE CIRCULARS

Trade circulars will be provided in sufficient quantities to all field management personnel. These circulars should be hand-delivered to all direct accounts when contact is made. No circulars will be mailed directly to accounts.

ADVERTISING

Full color advertisements supporting Benson & Hedges 100's Box will appear in November issues of the following:

T. V. Guide
New York Magazine
Cue

Playbill
Lincoln Center Program

Also, there will be color advertisements in three Sunday Supplements:

New York Times
New York News

Long Island Newsday

There will be black and white advertisements in the following newspapers:

New York News
New York Post
New York Times
Long Island Press
Staten Island Advance
Jersey City Journal
Newark Star Ledger
Yonkers Herald Statesman
Mount Vernon Argus

New Rochelle Standard Star
Tarrytown News
White Plains Reporter Dispatch
Long Island Newsday
Bergen Record
Passaic/Clifton Herald News
Paterson News
Village Voice

In addition, an extensive subway (platform panel and clocks) and outdoor (paint and Criterion Kings) campaign will run in the test area.

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REPORTING

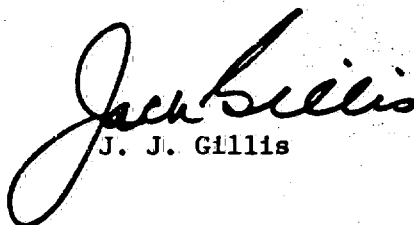
Distribution reports must be submitted to your Section Manager weekly, beginning October 11 until further notice, with a copy to your Region Manager giving the following information:

- . Account Name (list major account, direct and non-direct).
- . Account allocation, if direct buyer.
- . Quantity shipped against allocation (Regular and Menthol).
- . Date Benson & Hedges 100's accepted.
- . Scanner sheets should be prepared in the following manner:

Total Benson & Hedges 100's Box sales should be reported under 1st Major Cigarette. Paid displays should be reported under 1st Major Cigarette Set/Sell, and non-paid under Non-Paid Displays 1st Major. Marlboro Red sold with gratis as part of the P.P.P. should be reported under Special Instructions, Column #1. (See attached sample scanner.)

The New York Trading area will receive a significant amount of advertising, merchandising, and retail sales activity during this introductory period. This area will be monitored closely to gain valuable information that will be helpful in developing further sound marketing strategies as we plan for a national introduction.

Any questions relative to this entire program should be directed to your Section Manager or Region Manager initially. Further questions may then be directed to Carey Jenkins in New York.


J. J. Gillis

JJG:MV
Attachments

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